

TRANSPORTATION DEPARTMENT[761]

Notice of Intended Action

**Proposing rule making related to motor vehicle leasing licenses
and providing an opportunity for public comment**

The Transportation Department hereby proposes to amend Chapter 430, “Motor Vehicle Leasing Licenses,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code sections 307.12 and 321F.11.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code chapter 321F.

Purpose and Summary

This proposed rule making relates to motor vehicle leasing licenses, which is a requirement under Iowa Code chapter 321F when a person is engaged in the business of leasing motor vehicles in this state.

The proposed amendments correct the Department’s contact information and amend the definition of “engage in the business” to mean leasing two or more motor vehicles subject to registration if a lessee is a resident of Iowa and first takes possession of the vehicle in Iowa, or if the lessor’s business address is located in Iowa. The proposed amendments within the definition further state that a person is not considered to be engaged in the business if the business address is located outside Iowa and the lessee first takes possession of the vehicle outside Iowa. The current definition is not sufficiently clear as to which types of transactions count as being engaged in the business of leasing motor vehicles and are thus subject to the motor vehicle leasing license requirements.

Fiscal Impact

The fiscal impact cannot be determined. Iowa Code section 321F.4 requires a person applying for a motor vehicle leasing license to pay a \$30 application fee for a two-year period of license validity. In fiscal year 2021, the Department issued 53 new leasing licenses, and in calendar year 2020, the Department renewed 426 existing leasing licenses. While this proposed rule making seeks to clarify what constitutes being engaged in the business of leasing motor vehicles, the Department is unable to discern at this time whether this change will result in the Department issuing any more or any fewer leasing licenses.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to 761—Chapter 11.

Public Comment

Any interested person may submit written comments concerning this proposed rule making or may submit a written request to make an oral presentation at a public hearing. Written comments or requests

to present oral comments in response to this rule making must be received by the Department no later than 4:30 p.m. on June 21, 2022. Comments should be directed to:

Tracy George
Department of Transportation
DOT Rules Administrator, Government and Community Relations
800 Lincoln Way
Ames, Iowa 50010
Email: tracy.george@iowadot.us

Public Hearing

If requested, a public hearing to hear oral presentations will be held on June 23, 2022, via conference call at 10 a.m. Persons who wish to participate in the conference call should contact Tracy George before 4:30 p.m. on June 21, 2022, to facilitate an orderly hearing. A conference call number will be provided to participants prior to the hearing.

Persons who wish to make oral comments at the public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rule making.

Any persons who intend to attend the public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact Tracy George and advise of specific needs.

The public hearing will be canceled without further notice if no oral presentation is requested.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making action is proposed:

Amend rule 761—430.1(321F) as follows:

761—430.1(321F) General.

430.1(1) Information. Information and blank forms relating to this chapter may be obtained from ~~and completed forms shall be submitted to the Office of Vehicle and Motor Carrier Services, Vehicle Division, Iowa Department of Transportation, by mail at P.O. Box 9278, Des Moines, Iowa 50306-9278; by telephone at (515)237-3110; by email at vcusto@iowadot.us; or from the department's website at www.iowadot.gov.~~ Completed forms shall be submitted to the Motor Vehicle Division, Iowa Department of Transportation, by mail at P.O. Box 9278, Des Moines, Iowa 50306-9278.

430.1(2) Definition. *“Engage in the business”* means leasing two or more motor vehicles that are subject to registration in a 12-month period if the lessee is a resident of this state and first takes possession of the vehicle in this state, or if the lessor's business address is located in this state. A person shall not be considered to be engaged in the business if the ~~lease for a vehicle subject to registration was originally created in a jurisdiction outside the state of Iowa~~ business address is located outside of this state and the lessee first takes possession of the motor vehicle outside of this state.